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## CENTRAL INTELLIGENCE AGENCY

OFFICE OF NATIONAL ESTIMATES

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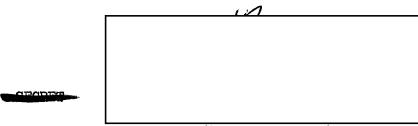
5 December 1961

MEMORANDUM FOR THE DIRECTOR

SUBJECT: The Diem Regime and Its Prospects

- 1. During the past few weeks there has been a marked increase in manifestations of dissatisfaction with President Ngo Dinh Dien's leadership and in reports of coup plotting among important South Vietnamese civilian and military officials. Dissatisfaction with the Dien regime is based primarily upon its arbitrary and authoritarian manner and its lack of success in coping with the Communist Viet Cong guerrillas. The accumulation of resentments and frustrations appears to be inclining an increasing number of officials toward a forcible change of government.
- 2. Prospects for Political Reform. In the past, most criticism of the Diem regime has been focused upon Diem's relatives, particularly his brother Nhu, Madame Nhu, and the few trusted advisers who make up the small inner circle which

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monopolizes power and authority. To an increasing extent, however, criticism is beginning to be leveled at Diem himself. Periodically the US has attempted to persuade Diem to get rid of Nhu and to undertake political reforms designed to improve the efficiency of his administration and to shore up the political position of his regime. Such efforts, however, have had very little effect and have tended to antagonize Diem and make him more stubborn and intractable. We believe that basic changes in Diem or in his style of ruling are highly unlikely. He is confident that he knows better than anyone else how to run his country. On a number of occasions he has stood his ground in the face of US pressure and has made his views prevail. On other occasions he has failed to follow US advice and been proven right by subsequent events. Diem does not lack the courage of his convictions and we believe that he will alter neither his convictions nor his methods in the face of US pressure. At most, he may pay lipsorvice to certain US suggestions.

3. The Internal Security Outlook. The outlook in South
Vietnam is for a prolonged and difficult struggle with the
Viet Cong insurgents. We believe that the recent upward trend
in the pace, scope, and effectiveness of the Viet Cong paramilitary

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effort and in the extent of outside support of that effort will continue during the next few months at least. South Vietnam's urban centers, particularly Saigon, will probably be increasingly subjected to Viet Cong acts of terrorism designed to demoralize the public, disrupt the government, and increase the possibility of a non-Communist coup. In short, we expect the internal security situation to deteriorate considerably over the next few months.

We believe that with continued high levels of US aid and a strenuous GVN effort, the problem of Viet Cong control of large areas of the countryside can in time be reduced. However, a good many months of consistent effort will probably be required before much improvement begins to appear. Even if the GVN does reduce Viet Cong control over the countryside, it will require continued maximum effort—military, political, and economic—to maintain its authority.\*

4. Prospects for a Coup Attempt. Conditions conducive to a coup attempt persist in South Vietnam, and we believe it unlikely that those conditions will be alleviated in the near future. Consequently, we conclude that the chances for a coup

The outlook for political reform and for the Viet Cong campaign is discussed more fully in NIE 14.3/53-61:
"Prospects for North and South Vietnam," dated 15 August 1961.

attempt are increasing. New and specific manifestations of US support for Diem would probably reduce the chances of a coup attempt, but only temporarily.

- 5. If a coup effort is made, it will most likely take the form of a "generals' coup," similar to General Pak's coup in South Korea. It is almost certain that military figures in South Vietnam have studied the Korean coup and US reactions to it, and that they are giving serious consideration to its applicability to the situation in South Vietnam. A generals' coup involving personalities of national stature would probably stand the best chances of success. It is also possible that a coup could be planned and executed by a group of field grade officers, bringing to the surface a new group of leaders from people now largely unknown.
- 6. The re-establishment of effective government authority and of smooth operation of government service in the aftermath of a military coup would be very difficult. Dislocations and uncertainties in the chain of command and in the structure of loyalties would provide opportunities for Communist exploitation. The deployment of troops for purposes of the coup detat would



create some dangerous vacuums in the South Vietnamese countryside into which the Viet Cong would attempt to move. If the coup group did not immediately eliminate or neutralize the Ngo family, important parts of the regime's control apparatus, the Can Lao, would probably remain operative. This could result in a three-way civil war involving the coup group, forces remaining loyal to the Diem regime, and the Viet Cong.

7. The Viet Cong are very alert to the possibility of another military coup effort against the Diem government. They are not likely to be caught by surprise as they were in the November 1960 coup effort. The Viet Cong have made preparations to exploit such a situation, and there is some evidence that they regard a non-Communist coup effort against the Diem Government as providing them their best chance of a major breakthrough in their campaign to achieve control of South Vietnam. There is also evidence that the Viet Cong is engaging in joint coup planning with non-Communist elements. Knowledge of the opportunities which a coup effort would provide for the Communists has been a major restraining influence on those responsible military officers who are becoming increasingly convinced that a change in government is necessary if a non-Communist South Vietnam is to survive.

FOR THE BOARD OF NATIONAL ESTIMATES:

SHERMAN KENT
Chairman

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## Approved For Release 2005/11/29 : CIA-RDP70R00904A000800010008-7

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